

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 1/7/2014	(3) CONTACT/PHONE Cindy Collins, ASM, 788-2932 Amy Olson, ASO II, 781-4729	
(4) SUBJECT Request to approve a FY 2013-14 renewal contract (Clerk's File) with Psychiatrists Only, LLC in an amount not to exceed \$483,000 to provide locum tenens (temporary) licensed psychiatrist services. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve and direct the Chairperson to sign a renewal contract with Psychiatrists Only LLC for FY 2013-14 in the amount not to exceed \$483,000 to provide locum tenens (temporary) licensed psychiatrist services.			
(6) FUNDING SOURCE(S)	(7) CURRENT YEAR FINANCIAL IMPACT \$483,000.00	(8) ANNUAL FINANCIAL IMPACT \$483,000.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { X } Consent    { } Presentation                      { } Hearing (Time Est. ____ )    { } Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS { } Resolutions    { X } Contracts    { } Ordinances    { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)  19001360		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A { } 4/5 Vote Required        { X } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A    Date: <u>6-19-13</u>	
(17) ADMINISTRATIVE OFFICE REVIEW  Reviewed by Leslie Brown			
(18) SUPERVISOR DISTRICT(S) All Districts -			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director  
Ann Robin, Behavioral Health Administrator

DATE: 1/7/2014

SUBJECT: Request to approve a FY 2013-14 renewal contract (Clerk's File) with Psychiatrists Only, LLC in an amount not to exceed \$483,000 to provide locum tenens (temporary) licensed psychiatrist services. All Districts.

## **RECOMMENDATION**

It is recommended that the Board approve and direct the Chairperson to sign a renewal contract with Psychiatrists Only LLC for FY 2013-14 in the amount not to exceed \$483,000 to provide locum tenens (temporary) licensed psychiatrist services.

## **DISCUSSION**

The Health Agency's Behavioral Health Department requests approval of a renewal contract with Psychiatrists Only LLC, which is a locum tenens staffing agency utilizing a nationwide pool of participating psychiatrists. Locum tenens assure proper mandated coverage and medical supervision at multiple clinic sites when permanent staff psychiatrist positions are vacant or coverage is needed due to vacations. The temporary agencies are able to provide a locum tenens psychiatrist within 60 days of our request.

There continues to be a nationwide shortage of psychiatrists. A number of demographic and other factors continue to make this shortage especially prevalent in San Luis Obispo County, where demand for services exceeds available resources. Recruitment and retention of this limited pool of licensed staff is impacted by competition from Atascadero State Hospital (ASH) and California Men's Colony (CMC). State salaries, retention bonuses, and retirement plans often draw potential candidates to ASH and CMC.

Although psychiatrist recruitment efforts continue, permanent staff vacancies remain unfilled and wait times increase for clients to receive psychiatrist assessments and medication support. The contracts with the locum tenens agencies will fill the gaps for mandated coverage throughout the clinics and help ensure the provision of timely client care.

Your Board has approved contracts with four locum tenen companies. On August 6, 2013 Locumtenens.com, Jackson & Coker, Medical Doctors Associates, Inc. contract renewals were approved, and DRWanted.com, a new contract, was approved on December 3, 2013. Behavioral Health wishes to contract with Psychiatrists Only in order to widen the pool of locum tenen agencies available to assist in maintaining mandated coverage and care to clients. The tardiness of this contract renewal is due to an extremely lengthy and difficult negotiation process as a result of new ownership and legal counsel of Psychiatrists Only.

## **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has reviewed the contracts as to form and legal effect.

## **FINANCIAL CONSIDERATIONS**

The contracts establish hourly rates for contract services, which are provided on an as needed basis. The hourly rates for Psychiatrists Only LLC are \$170/hour for services provided to adults and \$185/hour for services provided to children.

These rates are comparable with the current rates we are paying other contracted locum tenens companies. The FY 2013-14 Adopted budget includes 3,000 hours of locum tenens services at a cost of \$483,000. The Adopted budgeted amount is an estimate that is intended to cover the additional capacity not available with existing permanent staff or our contracted psychiatrists. It is however possible that continued vacancies in staff psychiatrist positions will result in additional locum tenens expense that exceeds the amount originally budgeted. Should this occur, the additional locum tenens expense will be offset with salary savings resulting from the corresponding staff psychiatrist vacancies. Alternately, if vacant permanent psychiatrist positions are filled then fewer locum tenens hours will be utilized and these expenses can be expected to fall below the budgeted amount.

The use of one contractor versus another can vary according to their ability to quickly provide appropriate staff at any given time. By contracting with more than one locum tenens provider, the Behavioral Health Department gains the flexibility to utilize one particular provider for all services, or a combination of providers during the year. The County will compensate each contract provider only for actual services rendered. By contracting with multiple providers, the Department furthers its ability to use its discretion in selecting the highest quality, most cost effective services available at any given time.

## **RESULTS**

Psychiatric services are an integral part of all Behavioral Health programs and their outcomes. Psychiatrists provide psychiatric assessments and medication management to clients who are severely mentally ill or seriously emotionally disturbed. Psychiatrists are required to review and approve clinical documentation. Without these services, Behavioral Health cannot meet the availability and accessibility of service requirements mandated by the State.

The past few fiscal years have proved to be challenging regarding staffing for Psychiatrists. The Agency experienced a vacancy rate of approximately 3.5 FTE throughout fiscal years 2010-12 despite intensive recruiting efforts. During the 2012-13 fiscal year, the psychiatrist vacancy rate dropped to 2.0 FTE. The locum tenens provided psychiatric outpatient clinic services equivalent to nearly 3.0 FTE during the period 2010-12 (5,978 average hours per fiscal year) and nearly 2.0 FT during FY 2012-13 (4,137 hours). The remaining shortages were covered by independent contracted psychiatrists.

Locum tenens bridge the vacancy gap in two ways: preventing clients from having to travel to the next closest clinic with a psychiatrist available on-site; and keeping the Medical Director from needing to providing coverage for psychiatrist vacancies too often and thereby unwillingly neglecting administrative duties. Not only would any sort of travel requirement for clients provide a substantial barrier to access, but the increased wait time for psychiatric assessments and proper treatment would increase the risk of adverse outcomes for these youth at home and school, including law enforcement involvement and suicide. Locum tenens contracts assist the Behavioral Health Department in providing the necessary psychiatrist coverage to maintain appropriate levels of care. Providing the most appropriate services to these clients increases their probability of positive treatment outcomes. Furthermore, positive treatment outcomes contribute to the wider County vision of a healthy and safe community.

## **ATTACHMENTS**

1. Clerk's Filed Cover Sheet for Psychiatrists Only